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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	: Chapter 11
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DELPHI CORPORATION, et al.,	: Case No. 05-44481 (RDD)
	:
Debtors.	: (Jointly Administered)
	:
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JOINT STIPULATION AND AGREED ORDER COMPROMISING  
AND ALLOWING PROOF OF CLAIM NUMBER 10126  
(PD GEORGE CO. AND LONGACRE MASTER FUND LTD.)

Delphi Corporation ("Delphi") and certain of its subsidiaries and affiliates including Delphi Automotive Systems LLC ("DAS LLC"), debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), PD George Co. ("PD George") and Longacre Master Fund, Ltd. ("Longacre," and together with PD George, the "Claimants") respectfully submit this Joint Stipulation And Agreed Order Compromising And Allowing Proof Of Claim Number 10126 (PD George Co. And Longacre Master Fund Ltd.) and agree and state as follows:

WHEREAS, on October 8, 2005, the Debtors filed voluntary petitions under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as then amended, in the United States Bankruptcy Court for the Southern District of New York.

WHEREAS, on October 18, 2005 and again on November 7, 2005, PD George submitted a demand to the Debtors asserting a reclamation claim in the amount of \$501,963.11 (the "Reclamation Demand").

WHEREAS, on April 26, 2006, the Debtors and PD George entered into a letter agreement (the "Reclamation Letter Agreement") with respect to the Reclamation Demand, whereby the Debtors and PD George acknowledge and agree that the valid amount of the Reclamation Demand is \$4,723.53 (the "Reclamation Claim"), subject to the Debtors' right to seek, at any time and notwithstanding PD George's agreement to the amount set forth in the Reclamation Letter Agreement, a judicial determination that certain reserved defenses (the "Reserved Defenses") to the Reclamation Claim are valid.

WHEREAS, on August 2, 2006, PD George filed proof of claim number 10126 against Delphi, asserting an unsecured non-priority claim in the amount of \$405,670.69 (the

"Claim") arising from the sale of goods to the Debtors.

WHEREAS, on October 31, 2006, the Debtors objected to the Claim pursuant to the Debtors' (i) Third Omnibus Objection (Substantive) Pursuant To 11 U.S.C. § 502(b) And Fed. R. Bankr. P. 3007 To Certain (a) Claims With Insufficient Documentation, (b) Claims Unsubstantiated By Debtors' Books And Records, And (c) Claims Subject To Modification And (ii) Motion To Estimate Contingent And Unliquidated Claims Pursuant To 11 U.S.C. § 502(c) (Docket No. 5452) (the "Third Omnibus Claims Objection").

WHEREAS, on November 22, 2006, PD George filed its Response Of PD George To Debtors' Third Omnibus Objection To Claims (Docket No. 5765) (the "Response").

WHEREAS, on February 22, 2007, PD George assigned its interest in the Claim to Longacre pursuant to a Notice of Transfer (Docket No. 7021).

WHEREAS, on August 30, 2007, to resolve the Third Omnibus Claims Objection with respect to the Claim, DAS LLC and the Claimants entered into a settlement agreement (the "Settlement Agreement").

WHEREAS, pursuant to the Settlement Agreement, DAS LLC acknowledges and agrees that the general unsecured non-priority Claim shall be allowed against DAS LLC in the amount of \$400,947.16. DAS LLC further acknowledges that Longacre will retain the right to seek administrative priority status for \$4,723.53 of the Claim on the grounds that Longacre, as the assignee of PD George with respect to the Reclamation Demand, has a valid reclamation claim in the amount of \$4,723.53.

WHEREAS, DAS LLC is authorized to enter into the Settlement Agreement either because the Claim involves ordinary course controversies or pursuant to that certain Amended And Restated Order Under 11 U.S.C. §§ 363, 502, And 503 And Fed. R. Bankr. P.

9019(b) Authorizing Debtors To Compromise Or Settle Certain Classes Of Controversy And Allow Claims Without Further Court Approval (Docket No. 8401) entered by this Court on June 26, 2007.

THEREFORE, the Debtors and Claimants stipulate and agree as follows:

1. The Claim shall be allowed in the amount of \$400,947.16 and shall be treated as an allowed general unsecured non-priority claim against the estate of DAS LLC.
2. Longacre reserves the right, pursuant to section 503(b) of the Bankruptcy Code, to seek administrative priority status for \$4,723.53 of the Claim on the grounds that Longacre, as the assignee of PD George, with respect to the Reclamation Demand, has a valid reclamation claim in the amount of \$4,723.23.
3. The Debtors reserve the right to seek, at any time and notwithstanding PD George's agreement to the amount set forth in the Reclamation Letter Agreement, a judicial determination that the Reserved Defenses are valid.
4. PD George shall withdraw its Response to the Third Omnibus Claims Objection with prejudice.

So Ordered in New York, New York, this 9th day of October, 2007

/s/Robert D. Drain

UNITED STATES BANKRUPTCY JUDGE

AGREED TO AND  
APPROVED FOR ENTRY:

/s/ John K. Lyons r

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